

July 9, 2008

Mr. Craig Melodia
Assistant Regional Counsel
USEPA - Region 5
77 West Jackson Blvd. (C-29A)
Chicago, IL 60604-3590

Re: Ashland NSP Lakefront Superfund Site
Administrative Order on Consent -- Docket No. V-W-04-C-764

Dear Mr. Melodia:

As you know, on June 20, 2006, Northern States Power Company, a Wisconsin corporation (a wholly owned subsidiary of Xcel Energy Inc., d/b/a Xcel Energy) ("NSPW"), submitted for USEPA's consideration and at its request a report captioned "PRP Investigation Report." By letter dated May 30, 2007, NSPW supplemented that report with further information ("Addendum A"). The purpose this correspondence is to further supplement that report with additional information, which submittal can be considered Addendum B thereto.

Included in this Addendum B are copies of affidavits recently secured from several long-time Ashland residents, including individuals who were either personally involved with or witnessed activities relating to the wastewater treatment plant construction at the Site in the 1950s and/or its addition in the 1970s or other historical activities on the Site lakefront. Affidavits from several individuals who worked for various contractors involved with the wastewater treatment plant projects are also enclosed.

The information contained in these affidavits confirms that the City of Ashland's construction of and addition to the wastewater treatment plant, as well as its other activities in the Kreher Park area, contributed to the contamination of the Site lakefront. See Affidavits of Robert Hagstrom, Edward Gerulat, Ronald Bizzarri, James Jellish, Christopher Wilhelm and James Tomczak. At least one witness also provides information relating to the railroad's transportation of chemicals through the site on a daily basis. See Affidavit of C. Wilhelm. Additional testimony obtained also confirms the beneficial re-use of tar products from the former Ashland manufactured gas plant. See Affidavit of J. Tomczak.

The individual involved with the initial excavation of the site in the 1950s (Robert Hagstrom, Roffers Construction) confirmed that wood debris, creosote, and creosote-saturated materials were excavated for the project and disposed of just outside the perimeter of the plant. This individual also indicated that materials dredged from the bay were disposed of in the area of the wastewater treatment plant. This suggests the Agency should also investigate the U.S. Army Corps of Engineers' involvement at the site as a potentially responsible party (PRP).

Two individuals who were employed by Greeley and Hansen and were involved with the expansion of the wastewater treatment plant in the 1970s (Edward Gerulat who was the on-site

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resident engineer, and Ronald Bizzarri who was the project manager) confirmed that substantial wood debris, heavy black liquid having a creosote odor, and other unsuitable material was again encountered during the construction activities for the addition. These individuals also indicated that it remained a challenge to keep the site dry and that pumps were used to pump water back into the bay.

The superintendent of the wastewater treatment plant during the construction of the addition (James Jellish) also confirmed the discovery of creosote/tar during construction activities and the discharge of water from such activities into the bay. A long-time resident of Ashland (James Tomczak) who recalls both the initial construction of and addition to the wastewater treatment plant stated that water encountered during these activities was pumped onto the ground in the area of the work or into the bay.

In addition to the above information relating to the wastewater treatment plant, some of the witnesses provided additional information about other activities around the site. Mr. Tomczak recalled that he and his father visited the Ashland MGP when it was operational at least 10 to 12 times a summer to obtain tar to use in his father's marine construction business. The tar was beneficially re-used by them to treat wood for docks and to rebuild shoring on people's lawns abutting the lakeshore. He recalled other residents also obtained tar from the MGP for beneficial re-use. Another witness, Christopher Wilhelm, recalled seeing the Soo/Burlington Northern railroad line transporting chemicals through the site on a daily basis.

The recollection of these witnesses relating to the wastewater treatment plant construction activities is also supported by documentation recently located from the files of Greeley and Hansen. Included in this Addendum B are copies of the relevant documents which include the following:

- "Test Boring-Detailed Specifications" for proposed Sewage Disposal Plant, Ashland, Wisconsin prepared by Raymond Concrete Pile Company, 1950 (GH0395-443), noting presence of "saw dust, muck, small and large pieces of wood fill." See, e.g., GH0400, GH0403, GH0405, GH0408, GH0411, GH0413-414;
- Test Boring Report dated January 18, 1951 prepared by Raymond Concrete Pile Company (GH0269-282), noting presence of "saw dust, muck, small and large pieces of wood fill." See, e.g., GH0276-27;
- Handwritten notes prepared by P.B. Dent, dated August 14, 1952 (GH0459), noting presence of "8 feet of sawdust and slabs," "spongy" surface, and pumping of water from trench;
- Letter dated August 14, 1952 from S.N. Nielsen Company (General Contractor) to Greeley & Hansen (GH0461-462), complaining of poor soil conditions due to presence of wood slabs and sawdust;

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- Letter dated August 18, 1952 (GH0460) from Greeley & Hansen to S.N. Nielsen Company requesting additional excavation of 30 inches of wood slabs;
- Soil Investigation, Proposed Sewage Treatment Plant Additions dated November 16, 1970 (GH0316-333), fill consistent of wood, black, moist materials. See, e.g., GH0322, GH0324;
- Handwritten note dated May 18, 1972 (GH0147), noting poor condition of fill revealed in borings and that material was from old sawmill, and that material must be removed and replaced with base fill;
- Photographs of backfilling and excavation (GH0266, GH0285) from September, 1972 showing copious quantities of wood debris and water;
- Memorandum of meeting with E.W. Coons Company prepared by Greeley and Hansen dated February 12, 1974 (GH0111-113), noting problems and delays associated with de-watering efforts. See, e.g., GH0112;
- Memorandum for Construction Files from WFC (GH0003-62) summarizing April 9-10, 1974 meetings and noting project delays caused by need for de-watering;
- Letter dated October 30, 1974 from E.W. Coons to Greeley & Hansen (GH0219-220), noting additional project costs due to dewatering;
- Draft Change Order prepared in 1974 (GH0063-66) noting changes required do to poor site conditions and dewatering;
- Letter dated February 2, 1976 from Greeley and Hansen to Soil Exploration Company enclosing boring logs from 1976) (GH1083-1092) noting presence of wood and black material;
- Daily Reports prepared by Greeley and Hansen (Ed Gerulat) from various dates in 1972 and 1973 (GH1579, GH1580, GH1577, GH1576, GH1575, GH1574, GH1573, GH1563, GH1559, GH1558, GH1489, GH1353, GH1242, GH1238 and GH1239) noting wood debris and other unsuitable material found during excavation, dewatering, and pumping of water into Lake Superior.

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Please consider this further information as you evaluate NSPW's requests contained in the PRP Investigation Report. Please contact me should you have any questions.

Very truly yours,

MICHAEL BEST & FRIEDRICH LLP



David A. Crass

Enclosures

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